GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:318
ANSWERED ON:01.03.2002
HEADING UNIT SCHEME
SANJAY PASWAN;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE be pleased to state:

(a) the details of steps taken by the Government to make US-64 scheme of UTI once again attractive and reliable;

(b) whether the investors are disappointed owing to decrease in NAV of US-64; and

(c) if so, the steps being ta~en to restore old reputation oftlle scheme and for protecting the interest of the investors?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SRRI BALASAHEB VIKHE PATIL)

(a).(b)&(C) : Government announced a fmandal package for US-64 on 28.12.2001, under which UTI will be compensated by the Government for the det1c;t., if any, between the NA V and applicable repurchase prices, in respect of
(i) the limited repurehase facility, announced on July 15, 2001 upto 3000 units which has been raised to 5,000 units per unit holders, and
(ii) for remaining holdings in U8-64, if any, UTI has assured a repurchase price of Rs.I 0 per unit, or Net Asset Value (NA V) whichever is higher on :Nlay 31, 2003. In the intervening period from January 01, 2002 to 1vlay 30, 2003, redemption beyond 5000 units per existing investor as on June 30, 2001 will be at NA V. AI! a part ofth0 l1mmiiill piH.`ag`, .UTI haR heet1 m\k~d t(1 inmJy,ment time bound refonns based on the recommendations of the expert conunittees.

TIle US-64 scheme has been re-opened for fresh sale and repurchase at NA Vbased prices with effect from 1st January, 2002. The NAV ofUS-64 as on 31st January 2002 was Rs.6.00 and on 25th February 2002, it appreciated by 62 paise. Sale of NAV basedunits under US-64 from January 1, 2002 !o FebrualY 20, 2G02 aggrega!cd to Rs. 63.85 crores.